

HARRIS COUNTY MUNICIPAL UTILITY DISTRICT NO. 248

Minutes of Meeting of Board of Directors November 9, 2016

The meeting of the Board of Directors ("Board") of Harris County Municipal Utility District No. 248 ("District") was held at 2727 Allen Parkway, Suite 1100, Houston, Texas 77019 on November 9, 2016 with a quorum of Directors present, as follows:

A. Richard Wilson, President
Michael D. Yancey, Vice President
Long Nguyen, Secretary
E. Paul Daigle, Jr., Director

and the following absent:

Richard Ford, Director.

Also present were Ms. Pat Hall, Mr. Loren Morales, Mr. Matt Dustin, Mr. Bob Ideus, Mr. John Moy, Mr. Jerry Homan, Mr. Johnny Williams, Ms. Rebecca Bellay, and Mr. Wm. Scott Smith.

The meeting was called to order and declared open for such business as might regularly come before it.

1. The Board reviewed the minutes of the meeting held on October 12, 2016. Upon motion duly made, seconded and unanimously carried, the Board approved the minutes as presented.

2. Ms. Hall presented the tax assessor-collector's report and stated that tax bills for the year 2016 have been mailed, but no collections have been received to date. Upon motion duly made, seconded and unanimously carried, the Board approved the tax assessor-collector's report and the checks listed thereon.

3. Mr. Homan presented the operator's report indicating that water accountability was 97%, and there were 730 bills mailed to District customers. There were ten bacteriological samples taken. A large amount of construction is still underway in the District. Harris County MUD No. 222 has begun the sanitary sewer rehabilitation project. Mr. Homan also stated that the meter at the hospital was defective and had been replaced. This resulted in a very short-term water shutoff to the hospital in order to replace the meter. A permanent bypass has now been installed to alleviate any shutoffs in the future. The operator then submitted a list of delinquent accounts to the Board for termination of utility service and stated that the accounts in question have been given written notification of the opportunity to appear, either in person or in writing, at the Board meeting to contest, explain, or correct the charges, services, or disconnection. The operator noted that the accounts listed have neither attended the Board meeting nor contacted the operator's office or the District to contest or explain the charges. Accordingly, utility service to said accounts was authorized to be terminated pursuant to the provisions of the District's Rate Order.

4. Mr. Johnny Williams of Champions Hydro-Lawn then presented a report on the status of the detention ponds. All of the District's ponds currently are in good condition and the pipeline contractor is continuing to work within their easement in the Gander Mountain pond. Mr. Williams has discussed the rehabilitation of the work area with the contractor and appears satisfied that the contractor will make the appropriate repairs once the project is complete.

5. Mr. Ideus presented the bookkeeper's report, a copy of which is attached. Upon motion duly made, seconded and unanimously carried, the Board approved the bookkeeper's report and the checks listed thereon. The Board also heard from Mr. Morales and Mr. Dustin regarding a proposed refinancing of the District's bonds. The proposal is for a private placement refunding in the area of \$1.7 million to \$2.2 million, which may include a cash contribution by the District. The actual amount of the refunding is dependent upon which maturities may be refunded, depending upon the interest rate received. The Board unanimously authorized the financial advisor to solicit proposals for the refunding.

6. Mr. Moy presented the engineer's report and stated that the Starbucks project is almost complete. The District is waiting on the developer to present the final paperwork for the project prior to being reimbursed. Mr. Moy stated that he is also waiting for paperwork from the engineer for Mr. Danesh in order to solicit bids for construction of that project. Mr. Moy also stated that Waller County will be filing a lawsuit against the Texas Central Rail Authority to slow down or prohibit the high-speed rail line from going through certain areas of Waller County.

7. The Board then reviewed proposals for renewal of the District's insurance. Upon motion duly made, seconded and unanimously carried, the Board approved the insurance proposal as presented. However, the Board requested that the agent provide proposals for higher limits for the public employee blanket bond and the directors and officers bond.

There being no further business to come before the Board, the meeting was adjourned.

Secretary